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| AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT | | | 1. CONTRACT ID CODE | | PAGE OF PAGES 1 4 | | |
| 2. AMENDMENT/MODIFICATION NO. 0001 | | 3. EFFECTIVE DATE 8 FEB 2005 | | 4. REQUISITION/PURCHASE REQ. NO. | | 5. PROJECT NO. (If applicable) FUJAIRAH, UAE | |
| 6. ISSUED BY ATTN: Alicia Williams/DESC-FPC Defense Energy Support Center 8725 John J. Kingman Road, Suite 4950 Ft. Belvoir, VA 22060-6222 Phone: (703) 767-9340 Fax: (703) 767-9338 | | CODE SCO600 | | 7. ADMINISTERED BY (If other than Item 6) | | CODE | |
| 8. NAME AND ADDRESS OF CONTRACTOR (NO., street, city, county, State, and ZIP Code) | | | | (✓) | | 9A. AMENDMENT OF SOLICITATION NO. SP0600-05-R-0008 | |
| | | | | X | | 9B. DATED (SEE ITEM 11) 29 DECEMBER 2004 | |
| | | | | | | 10A. MODIFICATION OF CONTRACT/ORDER NO. | |
| | | | | | | 10B. DATED (SEE ITEM 13) | |
| BIDDER CODE: | | CAGE CODE: | | | | | |
| 11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS | | | | | | | |
| <p>[X] The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers [X] is extended [] is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning <u>1</u> copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) by separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.</p> | | | | | | | |
| 12. ACCOUNTING AND APPROPRIATION DATA (If required) | | | | | | | |
| 13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14. | | | | | | | |
| A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A. | | | | | | | |
| B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b) | | | | | | | |
| C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: | | | | | | | |
| D. OTHER Specify type of modification and authority) | | | | | | | |
| E. IMPORTANT: Contractor [] is not, [X] is required to sign this document and return <u>1</u> copies to the issuing office. | | | | | | | |
| 14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) | | | | | | | |
| SEE ATTACHED PAGES. | | | | | | | |
| Except as provided herein, all terms and conditions of the document referenced in Items 9A or 10A, as heretofore changed, remain unchanged and in full force and effect. | | | | | | | |
| 15A. NAME AND TITLE OF SIGNER (Type or print) | | | | 16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) | | | |
| 15B. CONTRACTOR/OFFEROR | | 15C. DATE SIGNED | | 16B. UNITED STATES OF AMERICA | | 16C. DATE SIGNED | |
| (Signature of person authorized to sign) | | | | (Signature of Contracting Officer) | | | |

This amendment is hereby issued to extend add Clause E28 to this requirement:

1. Solicitation SP0600-05-R-0008 has been re-opened and the closing date has been extended until 22 February 2005, 3:00 PM, Eastern Standard Time.
2. The following clause has been revised as follows:

1119.04 INVENTORY CONTROL RECORDS AND SYSTEMS OF RECORD (DESC JAN 2005)

(a) **INTRODUCTION.** The Contractor shall prepare all documentation and systemically process related transactions in accordance with the information and instructions provided herein, DoD 4140.25M, Fuels Automated System (FAS) Interim Guidance, and applicable FAS Application Guidance. Documents and procedures are subject to change. The Government shall notify the Contractor at least 30 days prior to implementation of any change. Unless the Government has specifically stated it will provide the hardware (usually at Government-owned facilities), the Contractor shall provide requisite hardware (specifications will be provided by the Government) capable of processing all applicable inventory and accounting transactions on a daily basis (weekdays excluding weekend and holidays) through DESC-provided applications or software. The current processing methodologies include via TELNET/DADS to the Defense Fuels Automated Management System (DFAMS) or via a web/internet-based or web dial-in application under the FAS program (transactions are processed to the FAS Enterprise Server (FES)). The FAS applications require the Contractor to either have internet access (with static IP address capability) or establish a dial-in account to the DESC FAS web server (once system access has been approved). Currently, DESC web-based applications use the DoD Public Key Infrastructure (PKI) compliant web browser which will be provided to the Contractor by DESC. These identified DESC systems require user identifications and passwords in accordance with DoD Automated Data Processing (ADP) Level III systems access. The Contractor shall be responsible for (in conjunction with DESC/DLA) identifying employees that will be processing inventory/accounting transactions for obtaining requisite systems access for those employees. It should be noted that DoD ADP Level III systems access requires a National Agency Check (NAC) investigation. Those contractors which have not had a NAC will be provided forms and fingerprint cards for the investigation, which DLA will initiate. The Contractor shall notify DESC when Contractor personnel with access privileges no longer work at the contract facility or no longer require access. Systems Access Request Forms and submission procedures can be found at <http://www.desc.dla.mil/DCM/DCMPage.asp?LinkID=DESCSFASInterimPolicy> under DESC-DC-I-24, "DESC Automated System Access Request Procedures.

(b) **AUTOMATED FUEL INVENTORY REPORTING REQUIREMENTS.**

(1) The Contractor shall prepare all necessary documentation (see paragraph (b)(5)) for, and systemically process, each transaction affecting their inventory of Government-owned products in its possession by virtue of this contract. Within 24 hours of each transaction, the Contractor shall input transaction data into the automated inventory and accounting system(s) or applications designated/provided by the Government. Initial training for inputting transactional data will be provided by the Government via on-site support or via electronic means, such as user manuals or on-line support/tutorials, after which the Contractor assumes all responsibility for timeliness and accuracy of transaction data input by its employees. The Contractor shall prepare and report each transaction in accordance with guidance provided during the training and, thereafter, by qualified Government representatives. The Government will advise the Contractor of any changes in processing and reporting procedures. The Government reserves the right to telephone the Contractor on a daily basis (weekdays excluding weekends and holidays) to obtain information concerning transactions processed to monitor transactions using identified processing systems.

(2) The Contractor shall record the physical inventory quality (corrected to 60 degrees Fahrenheit) in the automated inventory system for each Government-owned product stored at the facility. Daily inventories shall be recorded as of 0800 hours local time and monthly inventory shall be recorded as of 0800 hours local time on the first calendar day of each month. However, systematically, the end of month (EOM) physical inventory shall be reported against the last calendar day of the preceding month. The Contractor shall have the account reconciled in accordance with DESC-DC-P-1 located at <http://www.desc.dla.mil/DCM/DCMPage.asp?LinkID=DESCSFASInterimPolicy>.

(3) The Contractor shall prepare inventory adjustment documents (DD Form 1348-8) when inventory variances (discrepancies) exceed tolerance factors*; and when determinable losses occur, such as contaminated fuels, spills, pipeline ruptures, explosions or loss of product samples (five gallons or more) shipped to laboratories. A statement shall be provided by the Contractor on each inventory adjustment document explaining each gain and/or loss in excess of DESC provided tolerances. Each document shall be signed and dated by the Contractor's representative and the authorized Government representative and copies provided to DESC-FIE and DESC-FIW. The authorized Government representative shall indicate whether he/she concurs or nonconcurs with the statement and shall provide an explanation for any nonconcurrence. The term **authorized Government representative**, as used in this clause, refers to the quality representative assigned to the DFSP.

*Tolerance factors are 0.50 percent (0.005) for aviation and motor gasoline (avgas 130, MUR, MUP, etc.), 0.30 percent (0.003) for JP4; and 0.25 percent (0.025) for other jet fuels, distillates, residuals (JP5/JP8, diesel grades, F76, JPTS, etc.) and FSII.

(4) **END OF MONTH RECONCILIATION.** End of month reconciliation procedures are detailed in DESC Interim Guidance. See DESC-DC-P-1 located at <http://www.desc.dla.mil/DCM/DCMPage.asp?LinkID=DESCSFASInterimPolicy>. The Contractor shall retain all supporting documents on file for future audits.

(5) The following are documentation requirements for transactions:

TRANSACTION

DOCUMENT

SHIPMENTS

Shipments from a DFSP to authorized customers

DD Form 250/250-1
DD Form 1348-7

Shipments between DFSPs

DD Form 250/250-1
DD Form 1348-7

RECEIPTS

Receipts from a DESC Procurement Contract

DD Form 250/250-1

Service/Agency Receipts from a DFSP

DD Form 250/250-1
DD Form 1348-7

Receipts from a DFSP
(receipts associated with shipments between DFSPs)

DD Form 250-1
DD Form 1348-7

Receipts from an end-user (with or without credit)

DD Form 250/250-1
DD Form 1348-7

INVENTORY

Physical Inventory

DD Form 1348-8

Inventory Adjustments

DD Form 1348-8

Normal handling of variances (excessive)

DESC Form 24 (for
FCC 1027 users)

Determinable losses such as spills, line breaks, nonrecoverable
tank bottoms, major disasters, combat losses, etc.

Condition/Identity Change

DD Form 1348-8

Downgrade, regrade, or additive

ISSUES/SALES OR RETURNS/CREDITS

Issues of product from a DFSP to an end user

DD Form 1898
Automated data capture printout
If required, supporting DESC
Form 1898

Return of product from an end user with or
without credit

DD Form 250/250-1
DD Form 1348-7
DD Form 1898
Automated data capture printout

(c) OTHER REQUIREMENTS.

(1) **STORAGE TANK OUT OF SERVICE.** Prior to removing a storage tank from service, the Contractor shall immediately notify the authorized Government representative by telephone, with follow-up confirmation in writing, providing the date and time the tank is scheduled to be removed from service. In addition, the Contractor shall provide the authorized Government representative a written estimate of unrecoverable tank bottoms. The estimate will be reviewed and approved by the authorized Government representative prior to submission to DESC.

(2) **UNRECOVERABLE TANK BOTTOMS.** Prior to the end of the contract period, the Contractor shall provide the authorized Government representative a written estimate of unrecoverable tank bottoms. The estimate will be reviewed and approved by the authorized Government representative prior to submission to DESC.

(3) **REPORTING FUEL ADDITIVES AND SLOP FUEL.** Government-owned fuel additives, slop fuel, and transmix stock at the DFSP will be treated as separate and distinct items, and all transactions shall be documented as outlined herein. These products will be recorded in gallons and reported under the approved National Stock Number (NSN).

(i) An auditable identity change document (DD Form 1348-8) shall be used to account for bulk FSII blended with bulk fuel and fuel downgraded to slop. Fractions of a gallon cannot be used (e.g., if 1.5 gallons of FSII were injected, report 1 gallon and record the .5 once a whole gallon is used).

(ii) Packaged additives such as COR, ASA, AS1, AD1, and CO1 shall be accounted for locally using a general log or ledger. As the additive is injected, record the amount in the log to track usage and inventory. No other documentation is required.

(4) **CREATION OF SHIPMENT TRANSACTIONS.** As required and directed by the Government, storage Contractors shall create electronic shipment transactions using the USBank POWERTRACK on-line freight payment system. The Government shall advise Contractors of any changes in processing and reporting procedures. Contractors shall contact the Government when additional guidance is required. CONUS storage Contractors shall maintain a daily written log of motor carrier performance to include: carrier, destination, number of trucks ordered, number of trucks furnished, and deficiencies. On the last business day of each calendar month, the Contractor shall forward a copy of the daily written logs to the DESC Americas office having oversight of the motor carrier contract.

(5) **STATEMENT OF AUTHORIZED SIGNATURES.** The Contractor shall furnish the authorized Government representative a statement containing the names and handwritten signatures of persons authorized by the Contractor to receive and accept Government-owned product or property.

(6) **CHANGE IN DFSP OPERATOR.** Transfer of residual inventory from expired contracts will be made regardless of whether there is a change in contractors. The transfer of DFSP product will be accomplished as follows:

(i) The outgoing Contractor, the new Contractor, and the authorized Government representative will jointly gauge all tanks, document each storage tank gauge readings on DESC Forms 701 and 700C, and calculate the total physical inventory for each grade of fuel. Each DESC Form 701 will be signed by the incoming and outgoing Contractors and Accountable Officials/Responsible Officers.

(ii) Upon completion of the inventory, a summary DD Form 1348-8, supported by the applicable DESC Form 1235, will be completed for each grade of fuel.

(iii) The following certification will be typed on each DD Form 1348-8 and signed by the appropriate individuals:

"The inventory recorded on this DD Form 1348-8 has been transferred from contract
(old number) to contract (new number) on (date)."

Signature _____ (Outgoing Contractor) / _____ (New Contractor)

Typed/Printed Name and Titles _____ (Outgoing Contractor) / _____ (New Contractor)

(iv) The Contractor shall provide this information to the Government by telephone and by mailing one copy of each DESC Form 700C, DESC Form 701, and DD Form 1348-8.

(v) The Government will mail three copies of the Inventory Reconciliation Document Register* covering the transfer month to the outgoing Contractor. The outgoing Contractor shall apply appropriate certification to the Inventory Reconciliation Document Register* and retain one copy, provide one copy to the new Contractor, and return the third copy to the Government.

(7) **RETENTION OF ACCOUNTABLE RECORDS AND DOCUMENTS.** All records and documents identified above are DESC-accountable records and must be retained for two years after expiration of the contract.

*Not separately required if DESC provided automated inventory/accounting systems or applications are being used to electronically process transactional data (i.e., applications under the DESC FAS program).

3. All other terms and conditions remain the same.